

REPORT ON THE OFFICE OF THE
LIEUTENANT GOVERNOR FOR
THE FISCAL YEARS ENDED
JUNE 30, 1971-72 AND 1972-73

Joint Legislative Audit Committee

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January 18, 1974

The Honorable President of the Senate
The Honorable Speaker of the Assembly
The Honorable Members of the Senate and the
Assembly of the Legislature of California

Members:

Transmitted herewith is the Auditor General's report on the audit of the Office of the Lieutenant Governor. This report is on an examination of the accounts and the related financial records of the Office of the Lieutenant Governor for fiscal years 1971-72 and 1972-73.

In the Auditor General's opinion based on an examination made in accordance with generally accepted auditing standards, the statement of expenditures for the two fiscal years is presented fairly. These expenditures are financed from the General Fund.

While there are various stipulated responsibilities for the position of Lieutenant Governor, concrete functions and workload to support the number of positions in the Office of the Lieutenant Governor are not maintained. Therefore, an opinion as to the number of positions required for that Office was not expressed.

The budget expenditures for the Office of the Lieutenant Governor were decreased by \$49,241 largely as a result of the elimination of three positions in the 1972-73 budget. However, through the use of budgeted salary savings, one of the positions was maintained throughout the 1972-73 fiscal year by a consulting contract. The cost of that contract was \$15,802. The transfer of funds from salary savings to fund the consulting contract was approved by the Department of Finance.

Joint Legislative Audit Committee

The Honorable Members of the
Legislature of California
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A review of a sample of various other expenditure data was made. In the judgment of the Auditor General, these expenditures were adequately documented and incurred for proper purposes.

Respectfully submitted,

Vincent Thomas

VINCENT THOMAS, Chairman
Joint Legislative Audit Committee



STATE OF CALIFORNIA
Office of the Auditor General

925 L STREET, ROOM 750
SACRAMENTO, CALIFORNIA 95814

January 16, 1974

Honorable Vincent Thomas, Chairman
Joint Legislative Audit Committee
Room 4126, State Capitol
Sacramento, California 95814

Dear Mr. Chairman:

We have completed our audit of the Office of the Lieutenant Governor. The Lieutenant Governor is a Constitutional Officer whose duties are to act as the chief executive in the absence or disability of the Governor, and to preside as the President of the Senate. He becomes Governor when a vacancy occurs in the Office of the Governor. The Lieutenant Governor participates actively in the Governor's cabinet, and is a member of numerous boards and commissions.

We have examined the accounts and related financial records of the Office of the Lieutenant Governor for the fiscal years 1971-72 and 1972-73. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the attached Statement of Expenditures for fiscal years 1971-72 and 1972-73 presents fairly the expenditures of the Office of the Lieutenant Governor for these two fiscal years. Such expenditures are entirely financed from General Fund appropriations.

We also reviewed the propriety and effectiveness of certain expenditures and of the use of certain personnel. The Legislature authorized a staff in the Office of the Lieutenant Governor of 20 employees for the fiscal year 1971-72, and 17 for the fiscal year 1972-73. The Office also had at least three additional positions available under the federal Public Employment Program (PEP) during portions of both fiscal years. The salaries of these three positions, which totaled approximately \$20,000, were paid from federal funds and were not included as an expenditure of the Office of the Lieutenant Governor.

Office of the Auditor General

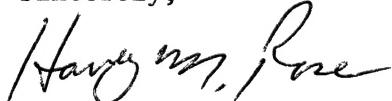
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Personal services (salaries, wages, and staff benefits) represented approximately 79 percent and 70 percent for fiscal years 1971-72 and 1972-73 respectively, of the total expenditures of the Office of the Lieutenant Governor. While there are various stipulated responsibilities for the position of Lieutenant Governor, concrete functions and workload supporting the required number of positions in the Office of the Lieutenant Governor are not maintained. Therefore, we are not expressing an opinion as to the number of positions required for this Office.

The number of authorized positions in the Office of the Lieutenant Governor for fiscal year 1972-73 was reduced by three from fiscal year 1971-72. Largely as a result of this reduction in positions, expenditures for personal services decreased by \$49,241. However, it should be noted that one of the employees, whose position was abolished in fiscal year 1972-73, was retained under a consulting contract for part of that year. For the remainder of fiscal year 1972-73, a consulting contract was awarded to another person. The consulting contracts required an expenditure of \$15,802 and were funded by transferring salary savings from previously budgeted salary and wage appropriations. This transfer of funds was approved by the Department of Finance.

Our review included a detailed analysis of a sample of various other expenditure data incurred in fiscal years 1971-72 and 1972-73. In our judgment, these expenditures were adequately documented and were incurred for proper purposes.

Sincerely,



Harvey M. Rose
Auditor General

OFFICE OF THE LIEUTENANT GOVERNOR
STATEMENT OF EXPENDITURES
FISCAL YEARS 1972-73 AND 1971-72

	<u>Fiscal Year</u>		<u>Increase</u>
	<u>1972-73</u>	<u>1971-72</u>	<u>(Decrease)</u>
Personal Services:			
Salaries and wages	\$202,402	\$247,907	\$(45,505)
Staff benefits	<u>20,750</u>	<u>24,486</u>	<u>(3,736)</u>
Total - Personal Services	<u>223,152</u>	<u>272,393</u>	<u>(49,241)</u>
Operating Expense and Equipment:			
General expense	\$ 15,016	\$ 18,048	\$ (3,032)
Communications	18,573	21,071	(2,498)
Travel - in state	10,315	9,991	324
Travel - out-of-state	4,605	2,947	1,658
Rent	14,112	6,682	7,430
Contract, fiscal and support services	30,741	12,555	18,186
Equipment	<u>266</u>	<u>750</u>	<u>(484)</u>
Total - Operating Expense And Equipment	<u>\$ 93,628</u>	<u>\$ 72,044</u>	<u>\$ 21,584</u>
Total Expenditures	<u>\$316,780</u>	<u>\$344,437</u>	<u>\$(27,657)</u>
Authorized Staff	<u>17</u>	<u>20</u>	<u>(3)</u>